

THE STATE OF NEVADA PERMIT TO CHANGE POINT OF DIVERSION, MANNER OF USE AND PLACE OF USE OF THE PUBLIC WATERS OF THE STATE OF NEVADA HERETOFORE APPROPRIATED

Name of applicant:

BLUE DIAMOND OIL CORPORATION

Source:

UNDERGROUND

Basin:

STEPTOE VALLEY

Manner of Use:

QUASI-MUNICIPAL

Period of Use:

January 1st to December 31st

Priority Date:

08/05/1996 NEW PRIORITY DATE:

SEP 13 2010

APPROVAL OF STATE ENGINEER

This is to certify that I have examined the foregoing application, and do hereby grant the same, subject to the following limitations and conditions:

This permit to change the point of diversion of the waters of an underground source as heretofore granted under Permit 62352 is issued subject to the terms and conditions imposed in said Permit 62352 and with the understanding that no other rights on the source will be affected by the change proposed herein. The well shall be equipped with a 2-inch opening and a totalizing meter must be installed and maintained in the discharge pipeline near the point of diversion and accurate measurements must be kept of water placed to beneficial use. The totalizing meter must be installed before any use of the water begins or before the proof of completion of work is filed. If the well is flowing, a valve must be installed and maintained to prevent waste. This source is located within an area designated by the State Engineer pursuant to NRS 534.030. The State retains the right to regulate the use of the water herein granted at any and all times.

This permit does not extend the permittee the right of ingress and egress on public, private or corporate lands.

The total combined duty of water under Permits 62880, 71190, 71191 and 71192 shall not exceed 208.35 acre-feet per year.

The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies.

If any water under this permit is cancelled, withdrawn, or any water is not put to beneficial use, it will revert to the groundwater source and not back to the base water right.

The point of diversion and place of use is as described under items 5 and 7 respectively on the submitted application to support this permit.

The amount of water to be changed shall be limited to the amount which can be applied to beneficial use, and not to exceed <u>0.1</u> cubic feet per second, <u>but not to exceed 2.24 acre-feet annually.</u>

Work must be prosecuted with reasonable diligence and proof of completion of work shall be filed on or before:

<u>N/A</u>

Water must be placed to beneficial use and proof of the application of water to beneficial use shall be filed on or before:

July /2, 2010

Map in support of proof of beneficial use shall be filed on or before:

N/A

IN TESTIMONY WHEREOF, I, TRACY TAYLOR, P.E.,

State Engineer of Nevada, have hereunto set my hand and the seal of my office, this 12 4/2 day of July, A.D. 2007

Tal 08

-	State Engineer	
Completion of work filed April 30, 200		
Proof of beneficial use filed		<u></u>
Cultural map filed		
Certificate No.	Issued	CAN

CANCELLED SEP 0.7 2010 BECAUSE OF FAILURE OF APPLICANT TO COMPLY WITH

THE PROVISIONS OF PERMIT

P.E. STATE ENGINEER

(Can. Rescinded 5-12-26)

APPLICATION FOR PERMISSION TO CHANGE POINT OF DIVERSION, MANNER OF USE AND PLACE OF USE OF THE PUBLIC WATERS OF THE STATE OF NEVADA HERETOFORE APPROPRIATED

NEVADA HERETOFORE API	PKOPKIATEĐ			
Date of filing in State Engineer's Office	MAY 10 2004			ORITY DATE:
Returned to applicant for correction				
Corrected application filed				
Map filed FEB	27 1997 under 62	2880		
******* The applicant Blue Diamond Oil Corporation hereby makes application for permission to change the Point of Diversion of water heretofore appropriated under Permit No. 62352				
******** 1. The source of water is Underground				
2. The amount of water to be changed 0.1 cfs				
3. The water to be used for Quasi-Municipal				
4. The water heretofore permitted for Quasi-Municipal				
5. The water is to be diverted at the following point In the SW¼ SW¼ Section 35, T.16N., R.63E., M.D.B.&M., Or at a point from which the SW corner of said Section 35 bears S. 61°31'08" W., a distance of 114.57 feet.				
6. The existing permitted point of diversion is located within the SW¼ NW¼ SE¼ Section 35, T.16N., R.63E., M.D.B.&M., or at a point from which the E¼ corner of said Section 35 bears N. 63°18'53" E., a distance of 2,245.23 feet.				
7. Proposed place of use In the E½ SW¼ NW¼ SE¼ of S	Section 35, T.16N.	, R. 6.	3E.,	M.D.B.&M.
8. Existing place of use In the E½ SW¼ NW¼ SE¼ of Section 35, T.16N., R.63E., M.D.B.&M.				
9. Use will be from January 1 to December 31 of each year.				
10. Use was permitted from January 1 to December 31 of	f each year.			
11. Description of proposed works Drilled well with pum lines.	ip, storage tanks :	and a	ssoc	iated service
12. Estimated cost of works \$160,000.00				
13. Estimated time required to construct works 5 years				
14. Estimated time required to complete the application of	water to beneficia	l use	8 yea	ar
15. Remarks: This application is proposed to serve consumptive rate of 0.006 cfs, 24 hours per day, 365 consumption of 1.314 million gallons. Please use the for the supporting map showing the proposed Point of	days per year, foi map filed under A	r an e	estin	nated annual
By s/Dean Neubauer 824 East Aultman Ely, Nevada 89301				

Protested______